

THE ATTITUDES AND PURCHASE INTENTIONS TOWARDS PRIVATE LABEL PRODUCTS, IN THE CONTEXT OF ECONOMIC CRISIS: A STUDY OF THESSALONIAN CONSUMERS

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Abstract

The purpose of this study is to identify, in the context of the economic crisis, the Greek consumers' attitudes and purchase intentions towards private label brands, particularly towards food private label products. It uses an adapted conceptual framework and tests several hypotheses. Measures were adopted from previous literature. Self-administered questionnaires were developed and distributed to approximately 120 respondents who are residents of Thessaloniki. Six of the seven hypotheses are supported empirically, out of which two are validated partially. Thus, perceived quality, perceived risk, perceived benefits (i.e., price and packaging), trust, perceived economic situation and income level influence purchase intention towards private label products. Based on the findings, several recommendations to the retailers and recommendations for further research are provided.

Key words: attitudes; consumer behavior; crisis; food private label products; own label; purchase intention.

JEL Classification: M31

I. INTRODUCTION

Branding literature points out that consumers buy branded products because of the general thought that they are of higher quality compared to non-branded products (Walsh, Shiu & Hassan 2012). However, as some countries get out of the economic crisis faster, while other countries remain in a gloomy economic environment, consumers are changing their shopping habits and are becoming more price-sensitive. Consequently, they are looking toward purchases which help them save money without compromising the quality of the products they buy.

Therefore, retailers are throwing into the market their own brands which are considered to have lower price than national brands. These products are usually called private label/own label products and can be found across all product categories. According to Chen (2008), private label products are fully owned, controlled and sold exclusively under the retailers' name. However, consumers generally relate the lower price of the private label products with low quality (Grunert et al. 2004); therefore retailers are experiencing low sales of their own brands. Consequently, retailers are continuously trying to improve the quality and packaging of their own products. As the quality of private label products increases and they are no longer considered inferior (Lamey, Deleersnyder, Dekimpe & Steenkamp 2007), while their prices remain the same, consumers learn to love these types of products, particularly shown by the fact that the European market share for own label brands is steadily increasing (Nielsen 2014).

Greece has one of the lowest private label market share in Europe of only 16% (Nielsen 2014). However, Ekathimerini (2013) argues that this sector has significant opportunities for growth, due to the extended economic crisis and significant investments from the retailers. Moreover, Greece is considered an emerging market for private label products, with high growth rates, thus suggesting that these products have great business potential (Horvat 2011). Several studies across European countries research the factors influencing the purchase intention towards private label products. However, the findings might not be appropriate for the Greek population. Furthermore, only one study was conducted in Greece, i.e. in Athens (Chaniotakis, Lymperopoulos & Soureli 2010) and it argues that the results could be different, if the research were carried out in other areas of Greece and if additional variables were added to the suggested model.

Therefore, in order to fill in the above identified gaps, it was decided to conduct a research in the area of Thessaloniki, applying a conceptual model enriched with more variables, in order to gain broader knowledge on Greek consumers' attitudes and purchase intentions towards private label brands, particularly towards food private label products. Hence, this study will suggest the appropriate marketing strategies that would help retailers to better manage their private label programmes and to neutralize the growing threat posed by national

brand labels.

II. LITERATURE REVIEW

2.1 Private Labels' Market in Greece in the Context of the Economic Crisis

The private label market in the European countries has a relatively high share. It accounts for €1 of every €3 spent, which is predicted to increase in the next several years. The market share of private labels in Greece increased by 4% during 2009-2013. However, it is currently of only 16%, which is one of the lowest in Europe (Nielsen 2014; Industry News 2013). This might be explained by the fact that Greece is considered a collectivist country (The Hofstede Centre 2014). According to De Mooij & Hofstede (2002), people in collectivist cultures prefer more national label brands than private label brands, because of the high peer pressure.

However, according to Ekathimerini (2013), the extended economic crisis and the increase in the retailers' investment are both contributing to the certainty that this sector has great potential for growth. Moreover, several discounters were introduced and established on the Greek market, such as LIDL and Carrefour, which operate mainly with own label products and which are continuously improving the quality of their products. As a result, Greek consumers have started to accept this type of products. The general perception that they are inferior towards national brands is being replaced by a more positive attitude (Boutsouki, Zotos & Masouti 2008). Furthermore, two in every three Greek consumers have abandoned their preferred brands, searching instead for quality products of any other brand that would save their money, thus leading them to private label products (Ekathimerini 2013). Finally, Boutsouki, Zotos & Masouti (2008) specify that the prices of private label products in Greece are on average 30% lower than those of national brands, therefore increasingly gaining market share.

2.2 The Conceptual Framework

There are several practical socio-psychological models which can be used in order to support the evaluation of different factors driving people to perform certain behaviours. This study will propose a model adapted from several research studies. According to Chaniotakis, Lymperopoulos & Soureli (2010) and Chen (2008), factors which directly or indirectly influence consumers purchase intentions towards private label brands are of three categories: (1) consumer attitudes, which consist of trust, loyalty and perceived economic situation; (2) intrinsic factors, which consist of perceived quality and perceived risk (Chen 2008); and (3) extrinsic factors/perceived benefits, consisting of price, packaging and advertisements. Moreover, Tochanakarn & Munkunagorn (2011) argue that, in addition to the above variables, the subjective norms, consisting of social pressure/collectivist or individualist culture, influence the purchasing intention towards private label products. Additionally, Akbay & Jones (2005) argue that socio-demographic factors, such as income, age, gender and education level are important factors associated with purchase intentions for store brands. To sum up, taking into consideration the above discussion on what several authors have suggested, the conceptual framework is adapted as shown in Fig. 1.

This modified model will be used with the purpose to support the evaluation of the reasons which drive the purchase intentions of Thessalonian consumers towards private label products. The dependent variable is 'Purchase Intention towards Private Label Products' which is influenced by several independent variables of different nature, such as: Intrinsic Factors, Extrinsic Factors/Perceived Benefits, Consumer Attitudes, Subjective Norms and Socio-Demographic Factors.

Intrinsic factors consist of perceived quality and perceived risk. According to Baltas & Argouslidis (2007), perceived quality has the most significant role when evaluating store brands, hence it is a very important determinant of purchase intention towards this type of products. Perceived risk falls also under intrinsic factors. According to Glynn and Chen (2009), perceived risk helps in predicting consumer preferences for own label products.

Furthermore, extrinsic factors or the so-called perceived benefits consist of perceived price, advertisement and packaging. According to Chaniotakis, Lymperopoulos & Soureli (2009), consumers' intention of buying private label products will be greatly affected by the perceived benefits. Financial cost or the price of a product is an important factor which influences the consumers' purchase intention towards a specific type of product (Grunert, Bredahl & Brunso 2004). A research conducted by Munusamy & Wong (2008) showed that there is a significant positive relationship between perceived price and consumers' purchase intentions towards private label products. Moreover, packaging and advertising are considered to be the most important attributes which inform the consumers about a product and affect the consumers' perceived quality for a product, hence influencing the purchase intention.

Additionally, trust, loyalty and perceived economic situation fall under the consumer attitudes, which positively affect the purchase intention (Chaniotakis, Lymperopoulos & Soureli 2010). According to Broadbridge & Morgan (2001), consumers would buy private label products only in case they felt assured in terms of reliability and performance, therefore trust is very important in purchase intention towards this type of products. Also, loyalty is an important factor which positively influences purchase intention towards own label brands. Additionally, perceived economic situation can be one of the factors that influence consumer buying attitude and intention towards own label products. According to Beldona & Wysong (2007), in times of

economic downturns, consumers tend to save money by purchasing private label brands because of the fact that they are less expensive than national brands.

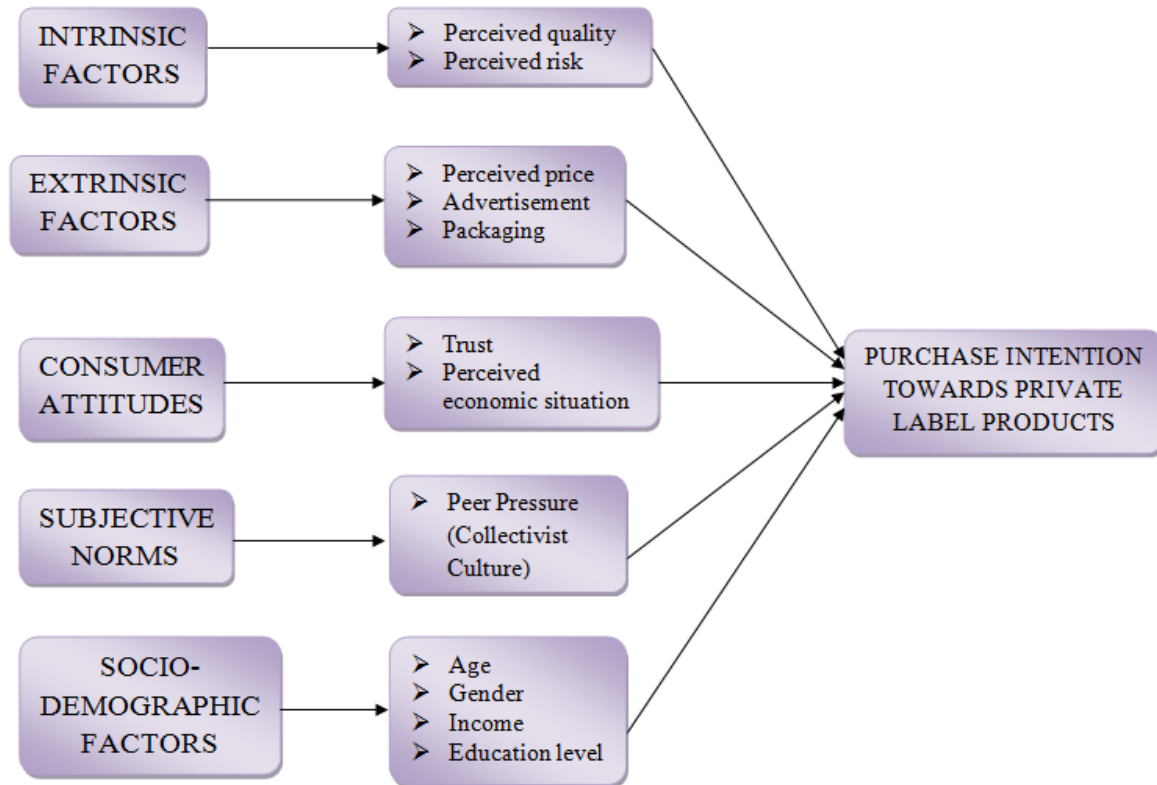


Figure 1 - Conceptual Framework adapted from: Chaniotakis, Lymperopoulos & Soureli (2010), Chen (2008), Tochanakarn & Munkunagorn (2011) and Akbay & Jones (2005)

Subjective norm consisting of peer pressure is another independent variable of the adapted model. Nelson & McLeod (2005) report that consumers follow their peers when they purchase private label products. Finally, socio-demographic factors such as gender, age, income and education are important determinants of purchase intention towards private label products as well. Dorota (2013) interprets that females and males perform different roles and have different demands for certain products, i.e. private label or national products. More specifically, it is reported that women have more experience than men as regards dealing with private label products (Kalogianni, Kamenidou, Pripora & Tziakas 2002). However, it is argued by Nguyen & Gizaw (2014) that gender is not an important factor in influencing the consumers' purchase behaviour. Furthermore, age is considered to have an influence on purchase intention. Older consumers are based on their experience when they purchase a certain product. Younger consumers have less experience, hence they are greatly influenced by brand image and the price of a product (Nguyen & Gizaw 2014). Further, income is considered to be the most important demographic factor influencing the purchase intention towards private label brands. Based on a research conducted by Baltas & Argouslidis (2007), income has a negative relationship with purchase intention towards private label products. Moreover, the higher the income is, the lower the intention to purchase this type of products is.

2.3 Short Presentation of the Research Hypotheses

Based on the above exhaustive literature review and on the adapted conceptual model, the following research hypotheses are set:

- 1) There is a positive and significant relationship between perceived quality of the private label products and purchase intention towards these products (Sudhir & Talukdar 2004).
- 2) There is a negative and significant relationship between perceived risk and purchase intention towards private label products (Batra & Sinha 2000).
- 3) There is a positive and significant relationship between perceived benefits of a product (price, package and advertising) and purchase intention towards private label products (Chaniotakis, Lymperopoulos & Soureli 2009).
- 4) There is a positive and significant relationship between trust in own label products and purchase intention towards them (Broadbridge & Morgan 2001).

- 5) There is a positive and significant relationship between perceived economic situation and purchase intention towards private label products (Chaniotakis, Lymperopoulos & Soureli 2009).
- 6) Peer pressure/collectivist culture negatively affects consumers' purchase intention towards private label products (De Mooij & Hofstede 2002).
- 7) There are significant differences between socio-demographic variables and purchase intention towards private label brands.

III. METHODOLOGY

In order to evaluate the Thessalonian consumers' attitudes and purchase intentions towards private label products, in the context of the economic crisis, it was used positive approach, or the so-called quantitative research method. Survey questionnaire was used in order to collect the primary data. Because of the time and budget constraints and also because of the size of the target population, it would be impossible for the researcher to study the entire population of Thessaloniki. Therefore, it was decided to study a sample of 120 Thessalonian consumers, regardless of gender, age, income and education. Furthermore, it was decided to use non-probability sampling. Regarding the methods of spreading the questionnaires, it was decided to use online spreadsheets through google docs and face-to-face distribution at the entrances of a LIDL and a Carrefour store located in the area of Thessaloniki.

The questionnaires were delivered in English or Greek, depending on the respondents' ability to read in English. Close-ended questions and five rating Likert-type scales were used because, according to Lietz (2010, p. 265), "a desirable Likert-type response scale length ranges from five to eight response options". Specifically, the survey was structured in two main sections: (1) socio-demographics (age, gender, income and education) and (2) factors influencing consumers' intentions towards private label brands. In order to analyze the primary data, the SPSS statistical software was used.

IV. ANALYSIS AND DISCUSSION

4.1 General Demographic Profile of the Respondents

Out of 120 respondents, 57 were males and 63 were females. This means that there is a quite balanced distribution, i.e. 47.7% males and 52.5% females. Unlike gender, there was not an equal distribution of results as regards the age group of the respondents. The majority of them – 65% were aged 18-30 years old, 20% were 31-43 years old, 10.8% were 44-56 years old; and only 3.3% were over 56 years old. This unequal age distribution is explained by the fact that the largest number of completed questionnaires (around 70) was received through the use of internet, while it is widely known that most of the internet users worldwide are 15-44 years old. As regards income, most of the respondents (59.2%) reported an annual income of €8001-€32000. 34.2% reported an annual income of under €8000. 3.3% have €32001-€64000; and 3.3% have an annual income above €64000. Finally, regarding the highest education level completed, the majority of the respondents (43.3%) stated that they have a BSc degree; 26.7% of the respondents – a high school degree; 20% – master studies; 10% – a PhD degree.

4.2 Distribution of Results for the Variable 'Private Label Purchase Intention'

The consumers' purchase intention towards private label products is the dependent variable of the adapted model for this study. This variable was measured through the five-point Likert- scale question "Do you have an intention to purchase private label products in your next shopping experience? ", with the following choices: 1- very uninterested, 2- uninterested, 3- neutral, 4- interested and 5- very interested. Most of the respondents answered positively as regards their purchase intention towards private label products. More specifically, 69,2% of the respondents gave a positive answer, being interested (51.7 %) and very interested (17.5%) to purchase private label products in their next shopping. However, a large percentage of the respondents (25%) have answered as neutral, which means that they are not sure whether they will purchase private label products. Only 5.8% of the respondents reported a negative intention to purchase private label products, where 0.8% were very uninterested and 5% were uninterested. The mean score for the purchase intention is of 3.8 out of 5, which means that there is, generally, a positive attitude towards private label purchase intention. The fact that a considerable number of respondents answered as having a neutral purchase intention affects the above mean score.

4.3 Hypotheses Testing

After completing the reliability and validity tests, each hypothesis was tested separately.

4.3.1 Hypothesis 1

Hypothesis 1 states that there is a positive significant relationship between perceived quality of the private label products and purchase intention towards these products. The *perceived quality* variable was measured by using three items: (1) the quality satisfaction extent, (2) perceived quality in comparison to manufacturer brands1 and (3) perceived quality in comparison to manufacturer brands2. The mean score for each item is 3.58, 3.18 and 3.23 respectively, which shows that generally consumers perceive the private label products as of slightly

good quality.

In order to test the relationship between the perceived quality and consumers' purchase intention towards private label products, Pearson Product Correlation test was performed (see Appendix A). It was found that there is one significant and strong positive correlation (item 1: $r = .485^{**}$) and two significant, but not very strong positive correlations (item 2: $r_1 = .387^{**}$ and item 3: $r_2 = .361^{**}$). Therefore, the first hypothesis is on the whole validated; meaning that, among Thessalonian consumers, there is a positive significant relationship between the perceived quality of the private label products and purchase intention towards these products. This result corresponds to what it is reported in the literature review section that, according to Chen (2008) and Sudhir & Talukdar (2004), there is a significant positive relationship between perceived quality and purchase intention towards private label products.

4.3.2 Hypothesis 2

The second hypothesis states that there is a negative and significant relationship between perceived risk and purchase intention towards private label products. *Perceived risk towards private label products* variable was measured using one question in the survey. When Thessalonian consumers were faced with the statement "the cheapness of private label food products suggests to me that they may have some risks, particularly for health", most of them (55%) disagreed with this statement. Therefore, it can be said that Thessalonians do not perceive private label food products as being risky for their health. Furthermore, 20.8% of the respondents expressed a neutral opinion to the above statement. However, there were a considerable number of respondents (24.2%) who agreed with the statement, meaning that they perceive private label food products as risky for their health. This might be a result of having insufficient knowledge regarding this type of products and their attributes. The above results support the mean score of 2.65. It must be paid attention to the fact that the lower the mean score of the results for this question, the lower the perceived risk. In our case, 2.65 is smaller than the neutral value of 3, hence it can be generalised that the respondents of this survey questionnaire generally perceive private label products as not risky for their health. Further, it was found a significant and negative correlation ($r = -.338^{**}$) between the variables (see Appendix A). This result means that the higher the perceived risk associated with the cheapness of private label products is, the lower the purchase intention is. Therefore, the second hypothesis is accepted. This result is similar to the findings of Batra & Sinha (2000).

4.3.3 Hypothesis 3

Further, hypothesis 3 is examined. It says that there is a positive significant relationship between perceived benefits of a product (price, package and advertising) and purchase intention towards private label products.

Regarding the first sub-hypothesis, the *perceived price* variable was measured using four items: (1) importance of price on the proneness to buy private label products, (2) importance to get the lowest price when buying a product, (3) perceived price of private label products, (4) price as the main reason to buy private label products. The mean score of each is 3.78, 3.14, 3.68 and 4.08 respectively. It appears that perceived price tends to be on average a very important factor for the consumers when buying products, particularly when buying private label products.

The relationship between each of the four *perceived price* items and the variable *purchase intention towards private label products* is statistically significant (see Table 3), though it is not a very strong positive correlation (respectively $r_1 = .328^{**}$, $r_2 = .216^*$, $r_3 = .430^{**}$ and $r_4 = .311^{**}$). This means that the higher the importance of the perceived price is, the higher the purchase intention is. Therefore, this sub-hypothesis is accepted. This result is supported by Munusamy & Wong (2008), who report that there is a significant positive relationship between price and consumers' purchase intentions towards private label products.

As regards the second sub-hypothesis, the *perceived packaging* variable was measured using three statements: (1) I like to buy the product that has attractive packaging; (2) I think the packaging of private label food products looks similar to the packaging of branded food products; (3) I think the private label products have equally good packaging as branded products. The mean score of each is 2.98, 3.12 and 3.28 respectively. It was noticed that the answers of the respondents are split approximately in three equal groups among negative, neutral and positive responses. This explains the fact that the mean score is approximately 3, which illustrates on average a neutral attitude as regards perceived packaging.

Further, all the three items that measure perceived packaging have a statistically significant correlation with the purchase intention (see Appendix A). These findings validate this sub-hypothesis. More specifically, the first item has a negative correlation to purchase intention towards private label products ($r_1 = -.280^{**}$). This means that the respondents who like to buy products with attractive packaging usually have a lower intention to purchase private label products in their next shopping, which implies that private label products do not have an attractive packaging. The second and the third item have a significant positive correlation with the intention to purchase private label products ($r_2 = .203^*$; $r_3 = .288^{**}$). It means that customers, who perceive the packaging of the private label products to be similar and as good as the packaging of brand label products, are likely to buy the private label products.

As regards the third sub-hypothesis, the *advertising* variable was measured using two items: (1) the influence of advertisement on the purchase decision and (2) the role played by the advertisement's message in buying private label products. Almost half of the respondents disagreed with the first statement, while a third of

the respondents expressed neutral attitudes, which explains the low mean value of 2.70 for this item. The mean score for the second item of 3.11 can be explained by the similarity in distribution of the answers with the *perceived packaging* items. Again, it was noticed that the answers of the respondents are split approximately in three equal groups among negative, neutral and positive responses.

With reference to the third sub-hypothesis testing, there are no statistically significant correlations between the above mentioned variables. Therefore, it can be said that advertising does not affect the purchase intention towards private label products; hence this sub-hypothesis is rejected. This finding can be explained by the fact that private label products are, most probably, minimally advertised by retailers.

Finally, to put all of the above results together, it can be concluded that the third hypothesis with regard to the perceived benefits (perceived price, perceived packaging and advertising) is partially accepted, which partially contradicts the findings of Chaniotakis, Lymperopoulos & Soureli (2009), who found out that there is a significant positive relationship between perceived benefits and intention to purchase private label products.

4.3.4 Hypothesis 4

Concerning the fourth hypothesis, which tests the relationship between trust in own label products and purchase intention towards them, *trust* was measured using two items: (1) I think private label food products are worth buying; (2) I trust private label food products. These items scored a mean of 3.53 and 3.35 respectively, which shows that respondents tend to trust private label products. The results reveal a positive significant relationship between the trust in own label products and purchase intention towards them ($r_1=0.492^{**}$ and $r_2=0.520^{**}$). Hence, this hypothesis is accepted. This finding is similar to that of Broadbridge & Morgan (2001) who say that trust in own label products is essential in purchase intention because consumers would purchase them only if they were assured in terms of reliability and performance.

4.3.5 Hypothesis 5

Further, the fifth hypothesis is examined. *Perceived economic situation* was measured using two items: (1) In times of economic downturn, I switch to other food products in order to save money and (2) I buy private label food products in times of economic downturn. The mean score of the first item is 3.99, meaning that, in general, the respondents tend to switch to other food products in order to save money in case of economic crisis. However, the mean score of the second item of 3.57 shows that, in case of economic difficulties, consumers switch to other food products, but not necessarily to private label food products, though on average, they are likely to do it. At the same time, the correlation test (see Appendix A) shows that there is a statistically significant positive relationship between perceived economic situation and the purchase intention towards private label products ($r_1=0.454^{**}$; $r_2=0.288^{**}$). Hence, hypothesis 5 is accepted. More specifically, the higher the perceived economic crisis is, the higher the purchase intention towards private label products is. This finding is confirmed by Beldona & Wyson (2007), who report that in times of economic downturn, consumers tend to save money by purchasing private label brands. This is explained by the fact that private label products are cheaper than the brand label products.

4.3.6 Hypothesis 6

The sixth hypothesis states that peer pressure/collectivist culture negatively and significantly affects consumers' purchase intention towards private label products. *Peer pressure* was measured using two items: (1) The extent to which I am concerned about what others think about me; (2) The fear of buying private label brands, as the purchase may negatively affect what others think about me. With a mean score of 2.65, the consumers display, on average, a low-towards-neutral level of concern about the opinions of other people. Half of the respondents state that they do not care about what other people think about them. At the same time, 34% are concerned about what others think. Even stronger levels of disagreement (mean score=2.05) are displayed as regards the second statement, i.e. 70% of the respondents have no concern that the purchase of private label products may negatively affect what other people think of them. It appears that overall the peer pressure is weak as regards this sample of consumers, which explains the fact that, when tested for correlation, peer pressure and purchase intention show no significant correlation ($r_1=-0.129$ and $r_2=-0.157$). Therefore, hypothesis 6 is rejected (see Appendix A). This finding contradicts Nelson & McLeod (2005), who report that consumers follow their peers when they purchase private label products.

4.3.7 Hypothesis 7

Finally, as regards the last hypothesis, it states that there are significant differences between socio-demographic variables (gender, age, income and education) and purchase intention towards private label brands. After performing the analysis (see Appendix A), it was found no statistically significant difference between *gender* and purchase intention towards private label products ($p=0.562>0.05$). Hence, the sub-hypothesis with regard to gender is rejected. This result corresponds to what Nguyen & Gizaw (2014) said. However, it contradicts Kalogianni, Kamenidou, Priporas & Tziakas' (2002) study, which reports that females tend to have more experience than men as regards dealing with private label products. As regards *age*, there is no statistically significant difference between the four age groups and the purchase intention towards private label products ($p=0.199>0.05$). Consequently, it can be concluded that the sub-hypothesis with regard to age groups is rejected. This result contradicts Nguyen & Gizaw (2014) findings, which report that because of less experience, younger consumers are influenced by brand image and price when making a purchase. To continue, it was found a statistically significant difference between *income* levels with regard to purchase intention towards private label

products ($p=0,000<0,005$). Hence, this sub-hypothesis is accepted, i.e. the higher the income is, the lower the intention to purchase private label products is. This finding is similar to what Baltas and Argouslidis (2007) report. Finally, as regards *education* level, there was found out a significance value of $p=0,108>0,05$; hence, it can be reported that there is no statistically significant difference; and that the sub-hypothesis with regard to education levels is rejected. To sum up all of the above, it was found out that there are no significant differences between socio-demographic variables and purchase intention towards private label brands, with the only exception of income level. Therefore, the research hypothesis with regard to four socio-demographic factors is partially accepted.

V. CONCLUSION, RECOMMENDATIONS AND LIMITATIONS

This study applied an adapted model from several researches in order to predict the purchase intention towards private label products in the geographical area of Thessaloniki, Greece, in the context of economic crisis. More specifically, the aim of this study was to identify which factors influence Thessalonians' purchase intentions towards private label products, particularly towards food private label products. Hence, there were investigated the relationships between purchase intention, which was the dependent variable, and each of the following independent variables: perceived quality, perceived risk, perceived benefits (i.e. perceived price, packaging and advertising), trust, perceived economic situation, peer pressure and socio-demographic variables (i.e. gender, age, income and education). This research study made use of quantitative methods, i.e. 120 complete and usable survey questionnaires were obtained from consumers from Thessaloniki.

After completing the analysis, it can be noticed that, in terms of the hypotheses developed, six of the seven hypotheses are supported empirically, out of which two are validated partially. Only hypothesis 6 is fully rejected, which shows that the chosen model is a promising model and that it can be used in future studies. A confirmed version of the model based on the results of this study is illustrated in Fig. 2. Thus, perceived quality, perceived risk, perceived benefits (price and package, except advertising), trust, perceived economic situation and income level influence purchase intention towards private label products.

Based on the results of this study, retailers are recommended to educate the consumers on the fact that buying private label products provides benefits related to price, packaging and taste; also, that low price does not mean low quality or high risk for consumers' health. Therefore, consumers would develop favourable attitudes and increase the purchase intention towards this type of products. Additionally, retailers should consider any activity, which helps in increasing trust towards private label products. For example, retailers could focus on quality control mechanisms, in order to ensure that their products meet certain standards. Finally, as it was found in this study that there is a positive relationship between consumers' perceived economic situation and their purchase intention towards private label products, retailers must increase their promotion efforts when there is an economic downturn.

As any other research, this study has various limitations. First of all, due to time constraints, it was decided to conduct the study in the restricted geographical area of Thessaloniki, Greece. The results could have been different if the sample were from a bigger geographical area (for instance, the whole Northern Greece), as in the other cities consumers might have different perceptions, attitudes and purchase intentions towards private label products. Moreover, because of limited time, it was decided to collect a small number of questionnaires (i.e., 120), which is considered to be a small sample in comparison to the population of Thessaloniki. Therefore, the achieved results might not be very realistic and accurate. Furthermore, the use of only quantitative method of data collection could also be considered as a limitation of the study.

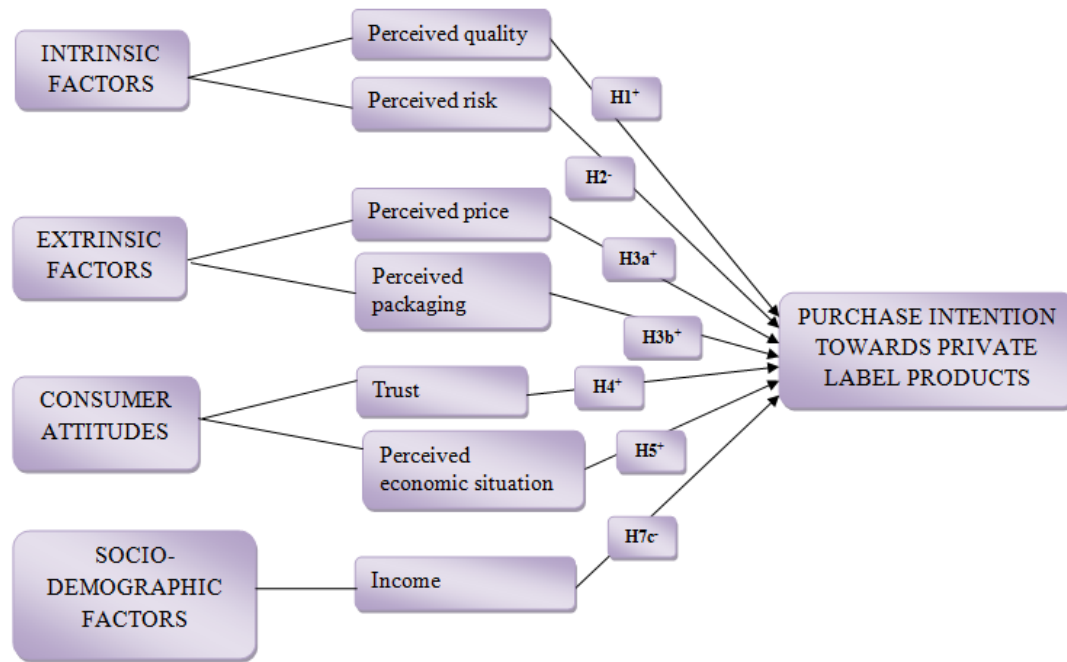


Figure 2 - Confirmed Model

To continue, recommendations for further research are provided. As this study researched attitudes and intentions towards private label products in general, further research could be carried out in order to test the model for a specific private label, e.g. LIDL or Carrefour, or even for a specific private label product, such as Carrefour branded feta cheese. Also, it is strongly recommended for future researchers to use a combination of quantitative and qualitative research methods in order to have more reliable results.

VI. APPENDIX A

Correlations between the Independent Variables and Purchase Intention Variable

Independent variables	Items for the independent variables	Approximate significance value	Correlation Value
<i>H1: Perceived quality</i>	Quality satisfaction extent	.000	.485**
	Perceived quality in comparison to manufacturer brands1	.000	.387**
	Perceived quality in comparison to manufacturer brands2	.000	.361**
<i>H2: Perceived Risk</i>	Perceived risk of buying food products	.000	-.338**
<i>H3: Perceived benefits</i> <i>a. Perceived price</i>	Importance of price on the proneness to buy private label products	.000	.328**
	Importance to get the lowest price when buying a product	.018	.216*
	Perceived price of private label products	.000	.430**
	Price as the main reason to buy private label products	.001	.311**
<i>b. Perceived packaging</i>	I like to buy the product that has attractive packaging	.002	-.280**
	I think the packaging of private label food products looks similar to the packaging of branded food products	.026	.203*
	I think the private label products have equally good packaging as branded products	.001	.288**
<i>c. Perceived advertising</i>	The influence of advertisement on the purchase decision	.701	-.035
	The role played by the advertisement's message in buying private label products	.716	-.034
<i>H4: Trust</i>	I think private label food products are worth buying	.000	.492**
	I trust private label food products	.000	.520**
<i>H5: Perceived economic situation</i>	In times of economic downturn, I switch to other food products in order to save money	.000	.454**
	I buy private label food products in times of economic downturn	.001	.288**

<i>H6: Peer Pressure</i>	The extent to which I am concerned about what others think about me	.160	-.129
	The fear of buying private label brands, as the purchase may negatively affect what others think about me	.087	-.157
<i>H7: Socio-demographic variables</i>	Gender	.562	-
	Age	.199	-
	Income	.000	-
	Education	.108	-

**, Correlation is significant at the 0.01 level (2-tailed).

*, Correlation is significant at the 0.05 level (2-tailed).

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